

MINUTES

Erie County Council

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Dr. Kyle Foust, Chairman
Fiore Leone, Vice Chairman
Carl Anderson, III
Kathleen Fatica
André R. Horton
Carol Loll
Scott R. Rastetter

REGULAR MEETING MINUTES

Tuesday, October 2, 2018

PLEDGE OF ALLEGIANCE

Chairman Foust called to order a Regular Meeting of the Erie County Council at 7:05 p.m. at the Erie County Council Chambers, 140 West 6th Street, Room 117, Erie, PA. Following the Pledge of Allegiance, Mrs. Loll read the following prayer:

OPTIONAL PRAYER OR INVOCATION

"Let us pray. You can't undo the done. You can't unhear the heard. You can't unsay the said. We need to plant seeds of hope and understanding throughout our day and in our lives. We should not choke out the ideas of others and demand that all be done our way. There are always more ideas to be heard. Do not allow the new to be hushed but explored. Help us and other to calm down and communicate that we may find a new way. We ask this in our Savors name Jesus Christ."

ROLL CALL

Members Present: Mr. Anderson (via telephone); Mrs. Fatica; Mr. Horton;
Mr. Leone; Mrs. Loll; Mr. Rastetter; Chairman Foust.

Also Present: Douglas R. Smith, James Sparber, Tracey Fugagli,
Thomas Talarico

HEARING OF THE PUBLIC

Elsbeth Koehle; city of Erie; Ms. Koehle attended with her son, Ari Phillips, and spoke about Community Benefits Agreements and equitable development. She stated that when growth and revitalization happen without including all residents or creating family sustaining job, it is not sustainable. She stated that it is no surprise that the population is declining in Erie and urged the county to implement measures to guarantee equity and development. Erie County residents can't survive without quality education and a hope for a good paying job when they are done with that education. Focusing only on developers' needs and those who have deep pockets will eventually lead to a collapse, creating conditions worse than what they are now. She urged Council to act proactively before now before it is too late.

Richard Connor, East 41st St. Erie PA; Mr. Connor stated he has attempted to provide affordable housing for low income people, who could not get into public housing for various reasons, for the last 25 years. This causes some complications. He got caught up in a tax sale. He has properties and a warehouse. His wife got sick and he was off kilter and missed the date for the tax sale. He stated that he came in two hours after the sale and offered to reimburse the person who bought the property. He did not get the consideration that he thought he should have gotten. He emphasized that it would cause him a terrible inconvenience to lose his warehouse and it would likely put him out of business. He asked if Council could look into this issue. He researched about the law in the state and it showed that he could redeem the property after a sale and he has yet to get the information as to how that could be done. He did offer the money and he asked that Council look into the situation. 2010 Buffalo Road, Erie, PA is the warehouse address.

Veronica Rexford; Millcreek; Ms. Rexford echoed concerns regarding equitable development. She commented that the rising tide doesn't lift all boats without intentionality. She attended a Council meeting downtown and a Council member had a thought process about how development works and how it should keep working – “he who has the gold makes the rules”. She urged Council not to let that happen. She stated that community benefits agreements are for fair development not against development. It is bringing along the local community, the people who live in the neighborhoods, providing the job training, negotiating with the developers, and coming to an agreement that is fair for even people on the bottom. She stated that people know how many people are living on the bottom in Erie – the minority residents, residents in the 16501 zip code. She believes it is Council's job to stand in the gap between money interests and the community.

Darnell Stallworth; West 26th Street; Mr. Stallworth is in full agreement of community benefits agreements and is in support of CBAs. He feels it is important to speak on behalf of those in support of CBAs. He commented that this was his first time he has been to a meeting and he felt it was important that he speak on behalf of those that want the CBAs. He asked that Council take a good long look at what is being proposed. He feels like the city is being given away and it is almost common sense to adopt a CBA.

Kathy Lutz; California Drive; Millcreek; Ms. Lutz also echoed support regarding CBAs and their importance. Her concern has to do with affordable housing and families getting displaced when the development begins and condos are created and fair market housing and disposing people from the housing they have now. She noted that the gentleman that spoke earlier is doing a blessing by providing housing in this community. She stated there is a waiting list in Erie County of 900 for subsidized housing and they have already met all requirements but there is no housing available. In the city of Erie, the number is greater than that with a 2 year waiting list for section 8. When talking about creating fair market

housing and possibly closing Richford Arms, she wants to know where these residents are going to go - what is the plan? She wants to know what the plan is for these people. She has gone to City Council meetings and they don't have a plan and she is unsure that the County has a plan. She commented that she works as an advocate for families with children with disabilities who are living in inadequate housing and have no way of getting out.

Keith Wallach, 131 East 35th Street; Mr. Wallach is a liaison for the airport and felt that Council made a really good appointment to the Airport Authority in Mr. Martin. He asked that Council try to give him all the support that they can.

MINUTES FROM PREVIOUS MEETING

September 18, 2018 - Regular Meeting

Mr. Leone moved to approve the minutes from the September 18, 2018 Regular Meeting. This was seconded by Mr. Horton and carried in a 7- 0 vote.

REPORTS OF COUNTY OFFICIALS

County Executive and/or her Designee

None.

Finance Committee - Mrs. Fatica

Mrs. Fatica stated that the Finance Committee met on Thursday, September 27, 2018 and agreed to place Ordinance 124, 2018 under Old Business, Ordinances 125 and 126, 2018 and Resolution 50, 2018 under New Business.

Personnel Committee - Mr. Horton

Mr. Horton stated that the Personnel Committee met immediately after the Finance Committee and agreed to place Ordinances 127 and 128, 2018 under New Business.

Other

Mr. Horton stated that it has been 336 days since the 24 Wall Street article and once again the silence is deafening. Nothing has been said, much less done, by myself, by the administration, the city, council, state delegates, the governor or anyone running for office, and it is heartbreaking. The response he keeps getting to the question on how to fix it is tax abatement and corporate giveaways. Citizens are suffering in Erie County and specifically in the 2nd legislative district. He has all the housing projects and 16501 zip code and the Bayfront. He commented that he is not against development, but he believes in good corporate citizenship and stewardship. He feels there should not be a city-wide LERTA that encompasses north of the Bayfront, not with the school district a mess. Two high schools have closed and some middle schools may be closed. He strongly feels it is immoral to give away the tax base and he believes LERTA

is for blighted property. The Comprehensive Plan wants to bring in millennials, attract businesses and lift the tax base, but it says nothing about what they are going to do with the people in the high rise apartments. There is no explanation on what will be done with the people in the Towers or where they are going to go for affordable housing. He has not seen a plan. There is not a supermarket below 26th street. Another report came out stating Erie is the 515th out of 518 cities slowest in development. CBAs - the county says there is no money and going into reserves to balance the budget. The City has \$1 million deficit and they don't have money because of inflated sewer revenue projections. The school district doesn't have money because they are under financial watch, yet there is the audacity to give tax breaks on the waterfront to the rich neighborhoods, to the haves and the expense of the have nots. He feels it is immoral to give away RACP funding in conjunction with LERTA. Mr. Horton stated he is usually speaking vaguely but one of his friends came out and stated he is against CBAs. Mr. Horton stated that if Bishop Brock understood what they were his position would change. He spoke honestly in the paper stating he is not interested in CBAs, but is interested in people investing in himself, which is a selfish approach. There are so many people suffering in the community. He stated that these are not the rantings of someone suffering because of a personal tragedy, these are the astute observations of someone who has family members, sons, nephews, a daughter, cousins who suffer from poverty, not from being lazy and not wanting to work. It is hard to work two or three minimum wage jobs to make ends meet and still be a good parent. Bishop Brock says we don't need CBAs and Mr. Horton says we do. Mr. Horton would welcome discussion however public or private with the Bishop to that end.

The United Way receives large portions of funding through organized labor and they recently redirected their funding and their paradigm and will invest in pre-K and community schools, but sadly it is at the expense of many of those contributors' families who have elderly parents, children, sons and daughters. The neighborhood centers languish while being asked to make bricks without straw, yet we give away corporate welfare in the form of abatement and zoning changes and it is given to people who don't feel they are responsible to be good stewards in the community all the while they gentrify and benefit off the backs of poor people and those who can least speak up for themselves. They say no money, we say CBAs. Mr. Horton would submit for argument, that if we put in millions of dollars and float the type of bonds that have been floated to pay for infrastructure and then consider giving abatements to waterfront development while there is a \$600 million proposed development at Erie Events' parcel of land - it is crazy. What would the tax be on \$600 million property over ten years, while we tell the neighborhood centers we don't have \$20,000 to sustain a program. He wanted someone to explain how much Summit Township gave for Mr. Scott to build his 12 hotels and restaurants, yet \$5,000,000 in RACP funds but then asks for a 10 year tax break, while sons and daughters are dying in the street, his literally. There is an opioid problem and we don't have tax dollars but we will give away our tax base. It is addition by subtraction – give it all away in

hopes it will come back. He doesn't see that. He feels that before there is one step further down that road it should be a transparent process and that there should be public hearings on LERTA and let the people decide. They should explain to people what a city-wide LERTA means. It is not enough to bring jobs. We are interested in family sustaining jobs and getting a better ROI for money that is being giving. Mr. Horton will be coming offering solutions, such as lowering the age for the summer jobs program. He will ask solicitor to investigate whether we can approach an entertainment tax on ErieEvents – a \$1.00 surcharge to be split amongst all three taxing bodies. He will propose solutions Erie Events has \$1 billion in assets and the hotels do not pay taxes and another development getting a tax break. In closing, there is nothing on this agenda tonight that will speak to any of those issues. If you go to the city and look at their agenda, they talk about stopping the panhandling and it should never happen but it does. While all the haves are benefitting from the great development, the have nots should come to the meeting. Mr. Horton offered to host a public hearing. He strongly feels that every taxing body in this area should not be giving away tax incentives. What will happen is we will be taxing again because of the corporate giveaways.

Dr. Foust - Two personnel items have come about. Upon the retirement of Council's CPA, Council did seek RFPs to replace Mr. Maloney. Council received one and interviewed but he withdrew his consideration shortly after. IN the meantime, through assistance with the Administration and a review of some of the auditing firms from the past, they came across an outfit from Susquehanna. Mrs. Fatica, as chair of Finance, Dr. Foust, Doug Smith and Mr. Maloney meet with new candidate. They will put a proposal together and certainly have the expertise. Dr. Foust hopes the proposal will be in the right price range. They expect to have the proposal by Friday and it will presented to full Council once received. If they are so inclined, he would invite them in to present to Council and explain what they have in mind. Dr. Foust stated that the other issue is getting the Human Relations Commission up and running. He stated that applications received - 6 for director and 11 for admin assistant. As Chair of Council and liaison to the HRC, Dr. Foust will serve on the hiring committee. He has asked that Mrs. Fatica and Mr. Horton serve as well. He would like to have a short discussion with them and Mr. Smith on how to go about the next steps.

OLD BUSINESS

Ord. 124, 2018 - Amending Ordinance Number 94, 2018, 'Creation of Policy for Disposition of Grants to Other Organizations Funding from Gaming or	Mr. Smith gave a second reading of Ordinance Number 124, 2018, "Amending Ordinance Number 94, 2018, 'Creation of Policy for Disposition of Grants to Other Organizations Funding from Gaming or the General Fund'". This was moved by Mrs. Loll and seconded by Mr. Anderson.
Funding from Gaming or	Mrs. Loll presented a new addendum to the ordinance and moved to add it, along

the General Fund

with an amendment under the guidelines, to add “other applicable sections” and “personal cell phones”. This was seconded by Mr. Anderson.

Dr. Foust stated he will vote against the ordinance.

The amendments to Ordinance 124, 2018, then carried in a 5-2 vote, with Mr. Horton and Dr. Foust voting no.

Mr. Horton will not vote in the affirmative and will vote no on the advice and opinion given by Solicitor Talarico.

Mr. Rastetter thinks that all have gotten off on the wrong track and no one in the little clique wants to destroy ECGRA or anyone on their board. Mr. Rastetter stated that all they are interested in bringing them in line to not use taxpayer money on their own personal gain. He doesn't see how anyone can defend that position or believe that helps the public in any way. He felt that anyone who wants to vote to let them keep doing that must have some other stake in it. He will be voting yes, even though the Solicitor thinks they are all wrong, Mr. Rastetter feels it will all work out and the truth will prevail.

Mr. Anderson stated that the goal has been to make it fair across the board and make everyone aware that County Council takes its fiscal responsibility seriously and that this ordinance is a good ordinance, as amended, which will put more money into the community through grants that are received through ECGRA and the Land Bank helping those in need, helping those that are disadvantaged in the community and ensuring that this money is distributed in a fair manner with fiscal responsibility and accountability at the heart of the issue.

Dr. Foust stated that there isn't any grant that any organization that anyone on this Council or anybody in the community for that matter can point to that ECGRA has dispensed improperly or unethically. There has been lots of disagreement on their operational expenses as to whether they made good choices or bad choices and the State has taken care of the largest issue regarding tuition. Dr. Foust stated he has never defended the tuition or the bonus and he gave examples of how he has not – regarding the tuition payments, that did not become public until May or June of 2017, and following that meeting, he advised his particular appointment to ECGRA that this is a practice that ought to be stopped as soon as possible and before that full discussion took place, Mr. Wood withdrew his interest in having his tuition reimbursed. Dr. Foust stated that at the last meeting, Mr. Barnes brought up all sorts of examples at how that agreement was violated, but he was citing examples from February, March, and April so that timeline is out of order. It is not as if that was a violation. More than one, \$3 expenditures to County Fair, \$9 expenditures to Office Max, have been brought up as if these were egregious misappropriations of funds. He asked Mr. Wood what these expenses were about, like getting coffee, creamer; water – supplies that many offices have as an expense. Dr. Foust stated he was

at an event in North East involving ECGRA and it was about 95 degrees and they had provided water to the principles that attended. An Office Max purchase would seem on its face for office supplies and it was in fact for a stamp. Dr. Foust explained the PA Society. When Mrs. Loll brought up the issue of the ECGRA budget being operationally out of whack - that was because of a lot of one-time expenses. The PA Society was one of them. At that time, gaming funds were in peril as to what would be State law. Mr. Wood went to this event to meet state representatives and senators, who were all there. It was a good way to interact on a more informal basis to try to advocate to keep gaming as it was. The other big expense brought up was the economic impact report. This was created because gaming funds were in peril not just in Erie County but across the State. This is a report that was heralded by the State Gaming Committee and their Chairman as the best report he has seen regarding gaming. Despite all of that, there are two reasons why this should be voted down – Council’s solicitor twice has said this Council is overreaching illegally what the responsibilities are. Council shouldn’t ignore that and this will be the third time this year Council does, which once is a dangerous precedent but three times is a dangerous trend. The second is, by their own admission of the people who put this ordinance together, they have stated that it impacts the operational funds, which is illegal and violates the Court ordered settlement, and they admitted out loud that ECGRA doesn’t necessarily have to follow it. Dr. Foust stated that Council shouldn’t be passing ordinances that people don’t necessarily have to follow. You call it the spirit of cooperation if you want, but when the remedy is to disband the Authority, that is not the spirit of cooperation, it is the spirit of coercion – you either do what we say you need to do or we are going to get rid of you. Council, in their infinite wisdom wants to do that, they are going to find out that more in this community than not is going to feel that Council is wasting time and wasting valuable tax dollars to try to achieve that end, when in the end, ECGRA on the whole has done a lot of good for this community. Dr. Foust stated that if you add all these “fiscal grievances” against ECGRA, they amount to one less than one-fifth of one one-hundredth of a percent. It is a small amount of money. Dr. Foust commented he is not excusing away anything and things have been corrected and like any Authority, they have had growing pains and made mistakes and done things they wish they had done differently, but on the whole they have done a pretty good job. Dr. Foust feels this is an overreach by Council and stated as such by the Solicitor and ought to be voted down.

Ordinance Number 124, 2018, then carried in a 5-2 vote, with Mr. Horton and Dr. Foust voting No.

NEW BUSINESS

Mr. Leone moved to amend the agenda and move Ordinances 125, 126, 127, and 128 to a 2nd reading. This was seconded by Mrs. Loll and carried in a unanimous roll call vote.

- Ord. 125, 2018 – GF SA of \$3,386 and New Line Item for PCOMP Safety Improvement Grant** Mr. Smith gave a second reading of Ordinance Number 125, 2018, "Forty-Sixth 2018 General Fund Budget Supplemental Appropriation of \$3,386 and New Line Item for PCOMP Safety Improvement Grant". This was moved by Mr. Horton, seconded by Mr. Leone and carried in a 7 - 0 vote.
- Ord. 126, 2018 – GF SA of \$31,745 an New Line Item for AOPC Grant to Purchase Video Conferencing Equipment** Mr. Smith gave a second reading of Ordinance Number 126, 2018, "Forty-Seventh 2018 General Fund Budget Supplemental Appropriation of \$31,745 an New Line Item for AOPC Grant to Purchase Video Conferencing Equipment". This was moved by Mr. Leone, seconded by Mrs. Fatica and carried in a 7 - 0 vote.
- Ord. 127, 2018 – GF SA of \$55,000 for Active Shooter Training of Courthouse Personnel** Mr. Smith gave a second reading of Ordinance Number 127, 2018, "Forty-Eighth 2018 General Fund Budget Supplemental Appropriation of \$55,000 for Active Shooter Training of Courthouse Personnel". This was moved by Mr. Horton, seconded by Mr. Leone and carried in a 7 - 0 vote.
- Ord. 128, 2018 – GF SA & Tx of \$35,000 for Active Shooter Training of Courthouse Personnel** Mr. Smith gave a second reading of Ordinance Number 128, 2018, "Forty-Ninth 2018 General Fund Budget Supplemental Appropriation and Transfer of \$35,000 for Active Shooter Training of Courthouse Personnel". This was moved by Mr. Horton, seconded by Mr. Leone and carried in a 7 - 0 vote.
- Res. 50, 2018 - Approval of PILOT Agreements** Mr. Leone gave a reading of Resolution Number 50, 2018, "Approval of PILOT Agreements", in its entirety. BE IT RESOLVED by the County Council of Erie, pursuant to Article II, Sections 1A, 3C(8), and 3B(1) of the Home Rule Charter for the County of Erie and in accordance with Resolution Number 30, 1993 and Resolution Number 49, 1993, that the PILOT (Payment in Lieu of Taxes) Agreements with the below listed entities are hereby approved as outlined on the attached Exhibit A:
- Ridgebury Apartments; Kuehl Apartments, Inc.; Maryvale Apartment Liberty Place Apartments, Inc.; Freedom Square; Niagara Apartments, Inc.; Goodrich House; North Coast Place Apartments, Inc.; Cascade Run, Inc.; Poplar Place, Inc.; Flagship City Apartments, In.; Poux Apartments, Inc.; Hands City Center Apartments, Inc.; Rosewood Apartments, Inc.; Hands Metro Apartments, Inc.; Titus House, Inc.”.
- ADJOURNMENT** Mr. Horton - acknowledged a Boy Scout in the audience who was attending to earn a Merit Badge.
- Mr. Leone moved to adjourn at 07:56 PM.